

Offering of up to 7,800,000 new ordinary shares in 2020 Bulkera Ltd.

Please note that this Term Sheet only represents a summary of the transaction details and is qualified in its entirety by the more detailed information included in the investor presentation (the “Investor Presentation”) and the application agreement (the “Application Agreement”) attached hereto. Any decision to invest should be based on a consideration of the Offering Material (as defined below) evaluated as a whole by the investor in addition to available public information. The information included in the Offering Material is confidential.

Issuer:	2020 Bulkera Ltd. (“2020 Bulkera” or the “Company”), a company limited by shares. The Company is incorporated in Bermuda with registration number 52905. The Company’s authorised share capital is USD 75,000,000 represented by 75,000,000 ordinary shares with a par value of USD 1.00 each.	
About 2020 Bulkera:	2020 Bulkera and its subsidiaries (the “Group”) currently have eight Newcastlemax dry bulk vessels with expected delivery dates between September 2019 and May 2020 under construction at New Times Shipyard in China (the “Vessels”).	
The Offering:	Up to 7,800,000 new ordinary shares, each with a par value of USD 1.00 (the “Offer Shares”), at a subscription price of USD 9.00 per share (the “Offer Price”) aimed at raising gross proceeds of up to USD 70,200,000 (the “Offering”).	
Greenshoe:	The Company has granted the Managers (as defined below) an option for a period of 30 days to subscribe to up to 1,170,000 additional new shares in the Company on the same terms and conditions as in the Offering in order to meet investor demand (the “Greenshoe”).	
Pre-subscriptions	Magni Partners (Bermuda) Ltd., Halvorsens Fabrik AS, Titan Credit Master Fund and MH Capital AS have pre-subscribed and will be allocated USD 8,000,000 worth of new shares in the Base Placement (being 888,888 shares). The Company has received pre-subscriptions for a further 3,511,111 new shares from other leading investors. The major shareholders have furthermore guaranteed for the subscription of the remaining 3,400,001 shares in the Base Placement subject to no material adverse change having occurred in the market.	
Share capital and shares outstanding:	<p>The Company’s issued share capital prior to the Offering is USD 14,370,906 represented by 14,370,906 ordinary shares with a par value of USD 1.00 each. The beneficial ownership interests in these are listed on N-OTC with ticker “2020” and ISIN BMG 9156K1018. The Company’s share capital will be USD 22,170,906 represented by 22,170,906 shares, each with a par value of USD 1.00 following the completion of the Offering.</p> <p>The Company has established a sub-register of shareholders in electronic form in the Norwegian Securities Register (the “VPS”) and engaged DNB Bank ASA (the “VPS Registrar”) to keep this. The VPS Registrar is, as a basis for this, recorded as the nominal owner of all of the Company’s shares in issue in the Company’s register of members kept at the Company’s registered office in Bermuda. The beneficial ownership to each share is recorded in the Company’s sub-register of shareholders in the VPS. Immediately following issue of the Offer Shares to the subscribers in the Offering, the Offer Shares will be registered in the name of the VPS Registrar in the register of members. The VPS Registrar will, at the same time, record the applicants’ beneficial interests in the Offer Shares in the sub-register in the VPS on the basis of which the beneficial ownership interest in the shares will be tradable on the N-OTC as a depository receipt. The shareholders must exercise their shareholder rights through the VPS Registrar by authorising the VPS Registrar to vote their shares in the Company’s shareholder meetings in accordance with instruction given.</p>	
Minimum application and allocation:	The minimum order (and allocation) is, subject to available exemptions from applicable prospectus requirements, the USD equivalent of EUR 100,000. The Company may, at its sole discretion, allocate an amount below the USD equivalent of EUR 100,000 to the extent an exemption from applicable prospectus requirements (including the Norwegian Securities Trading Act and ancillary regulations) is available.	
Use of proceeds:	The net proceeds from the Offering will be used (i) to fully finance the Vessels and (ii) for working capital purposes.	
Application period: <i>(subject to change)</i>	Application period starts:	22 May 2019 at 09:00 CET
	Application period ends:	23 May 2019 at 18:00 CET
	The Company may, at its own discretion, extend or shorten the application period at any time and for any reason. If the application period is extended or shortened the other dates referred to herein will be changed accordingly.	
Allocation, settlement and trading: <i>(subject to change)</i>	Notification of allocation:	Expected on or about 24 May 2019
	Delivery vs. Payment (DVP):	Expected on or about 28 May 2019
	Trading on N-OTC:	Expected on or about 28 May 2019
Allocation criteria:	The allocation will be made at the sole discretion of the Company’s board of directors (the “Board”). The Board will focus on criteria such as (but not limited to) existing shareholding, size and time of subscription, sector knowledge, perceived investor quality and investment horizon.	
Conditions for completion:	<p>The issue of Offer Shares is subject to: (i) execution of all required corporate resolutions by the Board; (ii) permission of the Bermuda Monetary Authority to the issue of the Offer Shares; and (iii) the receipt of a Ministerial direction that the prospectus provisions of the Companies Act 1981 of Bermuda will not apply to the Offering.</p> <p>The Company and the Managers reserve the right, at any time and for any reason, to cancel and/or modify the terms of the Offering. Neither the Managers nor the Company will be liable for any losses incurred by applicants if the Offering is cancelled, irrespective of the reason for such cancellation.</p>	
Listing:	The Company targets a listing on Oslo Axess within one month from notification of allocation.	
Outstanding Options:	The Company has reserved 740,000 of the Company’s authorised but unissued shares, equal to 3% of the outstanding shares after completion of the Offering, to the Company’s Long-term Incentive plan (the “LTI Plan”). The Board has, within the scope of the LTI Plan, issued 740,000 options to employees and directors under the terms of the LTI Plan. These options have a five-year term and vest equally with one quarter every six months commencing on 30 June 2019 over a two year vesting period. The exercise price is USD 10.00 per Share. The exercise price will be adjusted for any distribution of dividends made before the options are exercised.	
Documentation:	The documentation for the Offering comprises of this term sheet (the “Term Sheet”), the Application Agreement, and the investor presentation, all dated 22 May 2019 (collectively the “Offering Material”), in addition to available public information. In case of discrepancy between the different components of the Offering Material, the Application Agreement shall prevail.	
Investor requirement:	The Offering is made under applicable exemptions from relevant prospectus requirements, and is directed towards professional and institutional investors (i) outside the United States in reliance on Regulation S under the US Securities Act of 1933, as amended (the “US Securities Act”) and (ii) inside the United States to “qualified institutional buyers” (“QIBs”) as defined in Rule 144A under the US Securities Act as well as to major U.S. institutional investors under SEC Rule 15a-6 to the United States Exchange Act of 1934, as amended (the “US Exchange Act”), and, (iii) in jurisdictions within the EEA, to professional investors.	

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Target market:	(i) Professional investors, (ii) Eligible Counterparties, (iii) QIBs, and (iv) existing shareholders. Negative target market: An investment in the Offer Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile.
Transaction cost:	Estimated at maximum USD 2,000,000.
Managers:	Clarksons Platou Securities AS, Danske Bank, Norwegian Branch, DNB Markets, Fearnley Securities AS, Nordea Bank Abp, filial i Norge, Pareto Securities AS and Skandinaviska Enskilda Banken AB (publ) to act as Joint Lead Managers (the " Managers "). The Managers will receive a fee for their services provided to the Company in connection with the Private Placement, which is dependent on a successful completion of the Private Placement.

See important information below. For the complete terms and conditions that will apply to the Offering, see the Application Agreement.

IMPORTANT INFORMATION

No investment should be made on the basis of the Term Sheet alone. By making an investment, investors will be deemed to have reviewed and agreed to the contents of the Offering Material in general and the terms of the Application Agreement in particular.

The Offering Material is not for distribution in the United States, except to QIBs, and to "major U.S. institutional investors" as defined in Rule 15a-6 under the US Exchange Act. No public solicitations relating to the Offering are being made or will be made, directly or indirectly, in the United States. The Offer Shares will not be registered under the US Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

Each applicant to the Offer Shares understands and agrees that neither the Company nor the Managers have made any representation to it, expressed or implied, with respect to (i) the merits of the Offering, (ii) the subscription of the Offer Shares allocated to it, (iii) the condition, financial or otherwise, of the Company, or (iv) any other matter relating to the Offering, and nothing herein shall be construed as a recommendation to subscribe to the Offer Shares and no responsibility is or will be accepted by the Company and/or the Managers or by any of their respective affiliates or agents as to, or in relation to, the accuracy or completeness of the Term Sheet or any other part of the Offering Materials or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

The Managers are acting for the Company and no one else in connection with the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to customers of the Managers or for providing advice to any other person in relation to the Offering or any other matter referred to herein. Any liability of the Managers shall be several and not joint.

Please see the Application Agreement for further applicable selling and transfer restrictions, investor representations and other terms and conditions governing applications for Offer Shares.

Nordea is not an SEC registered broker-dealer and will only be participating in the Private Placement outside of the United States. Any offer or sale of the Offer Shares in the United States will be made solely by one or more broker-dealers registered as such under the U.S. Securities Exchange Act of 1934, as amended. No action taken by the Company or any of the other Managers in the United States shall be attributed to Nordea.